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#### **BRIEFING MEMO**

May 5, 2021

#### MEMORANDUM FOR THE ADMINISTRATOR

FROM: Vicki Arroyo, Office of Policy, 202-657-9243, arroyo.victoria@epa.gov

SUBJECT: Update briefing on American Rescue Plan funding proposal

DATE: May 6, 2021

TIME: 2:30 PM - 3:00 PM

#### I. REQUESTING OFFICE

Office of Policy and Office of Air and Radiation

#### II. <u>TIMING</u>

There is no deadline, however, there are looming needs to publicize decisions related to final funding proposal approval. (e.g. public notification of increases in funding to currently open competitive grant program solicitations that close on June 1 – need several weeks of publicity to make community and other applicants aware.)

### III. PURPOSE

We seek Administrator approval of the revised \$100M spend plan for EPA's total allocation under the American Rescue Plan. Or alternatively, approval to signal potential increases in funding to potential EJ grant applicants.

### IV. BACKGROUND AND HISTORY (BULLETS ARE FINE)



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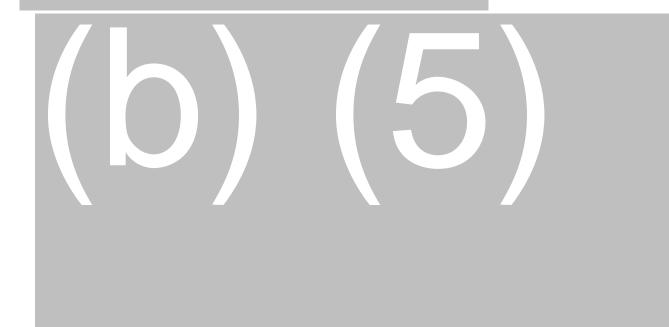
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- President Biden signed into law the American Rescue Plan (ARP) on March 11, 2021
- ARP includes a total of \$100M for EPA
- Full citation of ARP language specific to EPA provided in Appendix A.
- On March 19, OP AA Vicki Arroyo sent an email to agency leadership announcing the beginning of a process to receive proposals specific to the more flexible \$50M dedicated to EJ priorities. Text of email is provided in Appendix B.

(b) (5)

#### V. <u>KEY ISSUES</u>

Subsequent to the initial briefing with the Administrator on April 1, 2021, several changes to the proposal have been made (b) (5)





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#### VI. REGULATORY SUMMARY (IF APPROPRIATE)

OCFO and OMS have been included throughout the deliberations and considerations of projects that are part of the \$100M proposal to ensure that all proposed activities are viable within the statutory restrictions of ARP. OCFO and OMS will continue to be critical partners throughout the process to ensure that all projects and expenditure of funds stay within the statutory restrictions and are rigorously tracked and reported.

# VII. <u>ADDITIONAL POLICY OR TECHNICAL INFORMATION (IF APPROPRIATE)</u>

### VIII. ANTICIPATED STAKEHOLDER REACTION



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- IX. STAKEHOLDER INVOLVEMENT
- X. ROLL-OUT AND COMMUNICATIONS PLAN

(b) (5)

XI. <u>NEXT STEPS/UPCOMING DEADLINES</u>

(b) (5)



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#### Appendix A – ARP Statutory Language

### SEC. 3301. FUNDING FOR POLLUTION AND DISPARATE IMPACTS OF THE COVID-19 PANDEMIC.

- (a) In General.—In addition to amounts otherwise available, there is appropriated to the Environmental Protection Agency for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$100,000,000, to remain available until expended, to address health outcome disparities from pollution and the COVID-19 pandemic, of which—s
  - (1) \$50,000,000, shall be for grants, contracts, and other agency activities that identify and address disproportionate environmental or public health harms and risks in minority populations or low-income populations under—
    - (A) section 103(b) of the Clean Air Act (42 U.S.C. 7403(b));
    - (B) section 1442 of the Safe Drinking Water Act (42 U.S.C. 300j-1);
    - (C) section 104(k)(7)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(k)(7)(A)); and
    - (D) sections 791 through 797 of the Energy Policy Act of 2005 (42 U.S.C. 16131 through 16137); and
  - (2) \$50,000,000 shall be for grants and activities authorized under subsections (a) through (c) of section 103 of the Clean Air Act (42 U.S.C. 7403) and grants and activities authorized under section 105 of such Act (42 U.S.C. 7405).
- (b) Administration of Funds.—
  - (1) Of the funds made available pursuant to subsection (a)(1), the Administrator shall reserve 2 percent for administrative costs necessary to carry out activities funded pursuant to such subsection.
  - (2) Of the funds made available pursuant to subsection (a)(2), the Administrator shall reserve 5 percent for activities funded pursuant to such subsection other than grants.



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#### Appendix B – email from AA Vicki Arroyo

From: Arroyo, Victoria < Arroyo. Victoria @epa.gov>

Sent: Friday, March 19, 2021 1:19 PM

To: Goffman, Joseph < Goffman. Joseph@epa.gov>; Fox, Radhika < Fox. Radhika@epa.gov>; Waterhouse,

Carlton < Waterhouse. Carlton@epa.gov>; Starfield, Lawrence < Starfield. Lawrence@epa.gov>

Cc: Cassady, Alison < Cassady. Alison@epa.gov>; Fine, Philip < Fine. Philip@epa.gov>; Tejada, Matthew

<Tejada.Matthew@epa.gov>; Campbell, Ann <Campbell.Ann@epa.gov>; Tiago, Joseph

<Tiago.Joseph@epa.gov>; Hilosky, Nick <Hilosky.Nick@epa.gov>; Shiffman, Cari <Shiffman.Cari@epa.gov>;

Bloom, David <Bloom.David@epa.gov>; Adhar, Radha <Adhar.Radha@epa.gov>; Utech, Dan

<Utech.Dan@epa.gov>; Wooden-Aguilar, Helena <Wooden-Aguilar.Helena@epa.gov>; Torma, Tim

<Torma.Tim@epa.gov>

Subject: Next steps on American Rescue Plan EJ provisions-- action requested from your offices please

Dear Joe, Radhika, Carlton, and Larry,

Hello colleagues! Following up on the exciting news David shared last week, the agency has received \$50m as part of the American Rescue Plan (ARP) to support EPA's EJ work under the specific statutory language and authorities listed below. The Office of Policy, which houses the Office of Environmental Justice, along with OCFO, will coordinate EPA's efforts to determine how best to allocate these funds. To help everyone's thinking, we wanted to share some proposed ideas about this funding to help build consensus around a spending plan. (b) (5)

Initial ideas and information for your consideration:



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Steps:



ARP EJ passage:

SEC. 3301. FUNDING FOR POLLUTION AND DISPARATE IMPACTS OF THE COVID-19 PANDEMIC.



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    - (B) section 1442 of the Safe Drinking Water Act (42 U.S.C. 300j-1);
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  - (2) Of the funds made available pursuant to subsection (a)(2), the Administrator shall reserve 5 percent for activities funded pursuant to such subsection other than grants.

We look forward to working with you all on this terrific opportunity to support EPA's mission and EJ goals!

Best,

Vicki Arroyo, Associate Administrator for Policy